

ANNUAL REPORT

of the

**DETROIT AND MACKINAC
RAILWAY COMPANY**

TRANSPORTATION LIBRARY

FOR THE FISCAL YEAR ENDED DECEMBER 31st

1933

ANNUAL REPORT
of the
**DETROIT AND MACKINAC
RAILWAY COMPANY**

**FOR THE FISCAL YEAR ENDED DECEMBER 31st
1933**

DETROIT AND MACKINAC RAILWAY COMPANY

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

HENRY K. McHARG.....	Ridgefield, Conn.
DAVID H. PIERSON.....	Elizabeth, N. J.
JAMES BROWN MABON.....	New York, N. Y.
JAMES McNEIL	New York, N. Y.
EDWIN G. MERRILL	New York, N. Y.

OFFICERS

HENRY K. McHARG, <i>President</i>	Ridgefield, Conn.
JAMES McNEIL, <i>Secretary and Treasurer</i>	New York, N. Y.
C. A. PINKERTON, <i>General Manager</i>	Tawas City, Michigan
GEORGE J. BERGEVIN, <i>Auditor</i>	Tawas City, Michigan
P. RICHARDSON, <i>Asst. Treas., Asst. Secy. and Purchasing Agent</i>	Tawas City, Michigan
CARL R. HENRY, <i>General Counsel</i>	Alpena, Michigan
A. S. MATTESON, <i>Traffic Manager</i>	Alpena, Michigan

FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company.....	New York, N. Y.
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REGISTRAR OF STOCK

Central Hanover Bank and Trust Company.....	New York, N. Y.
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ANNUAL MEETING

The last Tuesday in April in each year is the date for Annual Meeting of Stockholders.

General Office (in Michigan).....	Tawas City, Michigan
General Office (outside of Michigan).....	110 William Street, New York, N. Y.

**COLEGROVE, MURPHY & ANGELL
CERTIFIED PUBLIC ACCOUNTANTS
LAFAYETTE BUILDING
DETROIT**

ALBERT M. COLEGROVE, C. P. A.
HARRY L. MURPHY, C. P. A.
C. ROBERT ANGELL, C. P. A.
W. ALFRED DEBO, ATTORNEY

February 15, 1934.

Mr. George J. Bergevin,
Auditor,
Detroit and Mackinac Railway Company,
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1933, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached Balance Sheet reflects the true financial condition of your company as at December 31, 1933, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

**COLGROVE, MURPHY & ANGELL,
By Harry L. Murphy,
Certified Public Accountant.**

REPORT OF THE
PRESIDENT TO THE STOCK AND BONDHOLDERS
OF THE
DETROIT AND MACKINAC RAILWAY COMPANY

New York, N. Y., February 19, 1934.

To the Stock and Bondholders of the Detroit and Mackinac Railway Company:

The unfortunate conditions referred to in the 1932 report pertaining to your Railway have continued the past year. Gross earnings have decreased \$158,000.00 or 21% compared with 1932, but expenses show a decrease of \$98,000.00 because of the most drastic cut in expense of maintenance, salaries and compensation of our employees, which as stated in our last report cannot continue indefinitely.

The judgment in the Gravel Case was reduced to \$60,000.00, which, with the expenses including fees charged by attorneys, was paid.

On December 1st, 1933, the Railroad defaulted in paying the coupons due on that date on its bonds. No plan has yet been formed regarding the reorganization, deeming it wise to await results shown by the earnings before making a decision. A small increase since January 1st has occurred in the gross earnings as compared with last year, and the management is hoping this may continue.

I regret to report the sudden death of your Vice-President and General Manager, Mr. John McCray, who served with such efficiency in his position.

Mr. C. A. Pinkerton was appointed General Manager to succeed Mr. McCray.

I wish to commend the loyalty of our officers and men in the various positions which they fill.

The usual tables for your information follow.

Respectfully submitted,

HENRY K. McHARG,
President.

DETROIT AND MACKINAC RAILWAY COMPANY

OFFICE OF AUDITOR

Tawas City, Mich., Feb. 16, 1934.

HENRY K. McHARG, ESQ.,
President

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31st, 1933, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expenses by years.

TABLE F—Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1932 and 1933.

TABLE I—Statistics for years 1932 and 1933.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectfully,

GEO. J. BERGEVIN,
Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1933, AND COMPARISON WITH
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1932, SHOWING INCREASE OR DECREASE

ASSETS					
	Items	Total	Increase	Decrease	
<i>Investments:</i>		\$7,329,914.68			
Investment in Road and Equipment.....	\$7,279,886.95				\$ 15,311.67
Miscellaneous Physical Property.....	23,837.24				
Investments in Affiliated Companies.....	26,190.49				\$ 342.01
					\$ 3,174.73
<i>Current Assets:</i>		223,637.19			
Cash	31,332.29				14,618.34
Special Deposits—J. P. Morgan Coupon Account.....	20,00				1,440.00
Traffic and Car Service Balances Receivable.....	11,963.94				1,221.41
Net Balances Receivable from Agents and Conductors	5,593.38				2,226.06
Miscellaneous Accounts Receivable.	22,257.32				2,386.80
Material and Supplies.....	152,235.03				15,428.20
Other Current Assets.....	55.23				29.41
<i>Deferred Assets:</i>		4,988.55			
Working Fund Advances.....	567.54				
Other Deferred Assets.....	4,421.01				
<i>Unadjusted Debits:</i>		1,850.20			
Insurance Premiums Paid in Advance.....	1,710.50				2,168.41
Other Unadjusted Debits.....	139.70				1,229.71
<i>Total.....</i>		\$7,560,390.62			\$ 7,217.04

TABLE A—(Continued)

LIABILITIES					
	Items	Total	Increase	Decrease	
<i>Capital Stock:</i>					
Common Stock.....	\$2,000,000.00				
Preferred Stock.....	950,000.00				
		<u>2,950,000.00</u>			
<i>Long Term Debt:</i>					
First Lien Bonds.....	1,500,000.00				
Mortgage Bonds.....	\$1,750,000.00				
Pledged as Collateral.....	500,000.00				
		<u>2,750,000.00</u>			
Outstanding		<u>1,250,000.00</u>			
<i>Current Liabilities:</i>					
Loans and Bills Payable.....	250,000.00				
Traffic and Car Service Balances Payable.....	29,186.98				\$ 1,223.62
Audited Accounts and Wages Payable.....	35,524.13				1,471.84
Miscellaneous Accounts Payable.....	2,990.14				103.55
Interest Matured Unpaid.....	55,200.00				
Unmatured Interest Accrued.....	9,166.67				
Other Current Liabilities	1,500.00				
		<u>383,567.92</u>			
<i>Unadjusted Credits:</i>					
Tax Liability	78,664.86				10,708.86
Accrued Depreciation—Road.....	133,576.04				
Accrued Depreciation—Equipment	610,203.95				10,760.95
Other Unadjusted Credits	2,134.04				4,112.97
		<u>824,578.89</u>			
<i>Corporate Surplus:</i>					
Additions to Property through Income and Surplus.....	1,856,692.77				
Profit and Loss—Debit Balance.....	1,204,448.96				
		<u>652,243.81</u>			
Total.....		<u>\$7,560,390.62</u>			\$ 7,217.04

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT, DECEMBER 31, 1933, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1932

	1933	1932	Increase	Decrease
Freight	\$ 494,230.91	\$ 639,583.75		\$145,352.84
Passenger	30,037.41	35,248.69		5,211.28
Excess Baggage	240.54	165.82	\$ 74.72	
Mail	39,740.25	41,335.02		1,594.77
Express	20,821.82	24,502.07		3,680.25
Other Passenger Train	2,414.10	2,568.85		154.75
Milk	7,559.76	8,402.13		842.37
Switching	192.08	158.40	33.68	
Special Service Train	462.00	1,326.00		864.00
Station, Train and Boat Privileges	40.19	52.07		11.88
Parcel Room	2.60	7.00		4.40
Storage — Freight	250.70	490.66		239.96
Storage — Baggage	3.06	1.20	1.86	
Demurrage	497.00	876.00		379.00
Telegraph and Telephone	309.33	1.60	307.73	
Rents of Buildings and Other Property	3,489.54	3,854.35		364.81
Miscellaneous	1,663.52	1,313.04	350.48	
Joint Facilities — Cr.	7.31	8.18		.87
Joint Facilities — Dr.	1.35		1.35	
Total Operating Revenues.....	<hr/> \$ 601,960.77	<hr/> \$ 759,894.83	<hr/>	<hr/> \$157,934.06
 OPERATING EXPENSES				
Maintenance of Way and Structures	\$ 115,187.24		\$ 136,571.16	\$ 21,383.92
Maintenance of Equipment	88,348.68		121,995.50	33,646.82

TABLE B—(Continued)

	1933	1932	Increase	Decrease
Traffic	\$ 11,661.73	\$ 15,102.75		\$ 3,441.02
Transportation — Rail Line.....	249,333.78	284,184.48		34,850.70
General	44,921.26	49,117.98		4,196.72
Transportation for Investment — Cr.	527.97	183.87	\$ 344.10	
 Total Operating Expenses	 \$ 508,924.72	 \$ 606,788.00		 \$ 97,863.28
 Net Operating Revenue	 93,036.05	153,106.83		60,070.78
Railway Tax Accruals	42,747.21	50,001.27		7,254.06
Uncollectible Railway Revenues	16.24	354.33		338.09
 Railway Operating Income	 \$ 50,272.60	 \$ 102,751.23		 \$ 52,478.63
 Income from Lease of Road	 1.00	† 137.84		 138.84
Miscellaneous Rent Income	26.00	3.00		23.00
Miscellaneous Non-operating Physical Property	† 1,097.65	566.04		1,663.69
Income from Unfunded Securities and Accounts42	178.94		178.52
Miscellaneous Income	1,201.48	1,300.73		99.25
Equipment Rents	† 1,737.95	3,960.34		5,698.29
Joint Facility Rents	† 1,689.03	† 2,738.30	1,049.27	
 Total Income	 \$ 46,976.87	 \$ 105,884.14		 \$ 58,907.27
 Miscellaneous Rents	30.82	30.00		.82
Miscellaneous Tax Accruals	820.05	1,298.91		478.86
Interest on Funded Debt	110,000.00	110,000.00		
Interest on Unfunded Debt	9,737.04	8,888.37	848.67	
Miscellaneous Income Charges	1,400.72	1,859.55	458.83	
 Income Balance Transferred to Profit and Loss.....	 \$* 75,011.76	 \$* 16,192.69		 \$ 58,819.07
Debit. *Deficit.				

TABLE B—(Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1933.....	\$1,056,029.37	
Debit Balance Transferred from Income.....	75,011.76	
Miscellaneous Credits		\$ 3,422.71
Loss on Retired Road and Equipment	14,329.02	
Miscellaneous Debits	62,501.52	
Debit Balance carried to Balance Sheet.....		1,204,448.96
	\$1,207,871.67	\$1,207,871.67

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4 %	June and December	\$ 60,000.00	June 1, 1995
Mort.	1,250,000.00	4 %	June and December	50,000.00	June 1, 1995
	\$2,750,000.00			\$110,000.00	

TABLE D
DETROIT AND MACKINAC RAILWAY COMPANY
COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1931	Dec. 31, 1932	Dec. 31, 1933
Cash	\$ 33,391.81	\$ 16,713.95	\$ 31,332.29
Special Funds.....	1,400.00	1,640.00	200.00
Due from Station Agents and Others..	23,890.09	23,237.84	27,850.70
Material and Supplies	194,996.85	167,663.23	152,235.03
Prepaid and Deferred Charges.....	6,322.66	4,446.45	6,699.05
Other Unadjusted Debits	2,328.08	1,454.05	194.93
 Totals.....	 \$ 262,329.49	 \$ 215,155.52	 \$ 218,512.00
 LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$ 41,341.76	\$ 34,052.29	\$ 35,524.13
Notes Payable	140,000.00	160,000.00	250,000.00
Accrued Taxes, Interest and Traffic Balances	138,004.67	122,939.39	164,744.71
 Totals.....	 \$ 319,346.43	 \$ 316,991.68	 \$ 450,268.84
Net Assets	\$* 57,016.94	\$* 101,836.16	\$* 231,756.84
 CAPITAL ASSETS			
Cost of Road	\$6,219,099.35	\$6,226,281.00	\$6,221,023.96
Cost of Equipment	1,077,449.80	1,068,917.62	1,058,862.99
Miscellaneous Physical Property	18,042.26	23,495.23	23,837.24
Investments in Affiliated Companies....		23,015.76	26,190.49
 Totals.....	 \$7,314,591.41	 \$7,341,709.61	 \$7,329,914.68
 REPRESENTING			
Bonds Issued—First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage.....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common.....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred.....	950,000.00	950,000.00	950,000.00
Reserves.....	721,204.69	733,019.04	743,779.99
Other Unadjusted Credits	7,025.54	6,247.01	2,134.04
Additions to Property Through Income and Surplus.....	1,855,380.53	1,856,636.77	1,856,692.77
Surplus	†1,026,036.29	†1,056,029.37	†1,204,448.96
 Totals.....	 \$7,257,574.47	 \$7,239,873.45	 \$7,098,157.84

†Deficit. *Credit.

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

	1929 Amount	Per Cent.	1930 Amount	Per Cent.	1931 Amount	Per Cent.	1932 Amount	Per Cent.	1933 Amount	Per Cent.
Freight.....	\$1,323,361.48	83.42	\$ 887,483.73	81.97	\$ 839,619.02	83.89	\$ 639,583.75	84.16	\$ 494,230.91	82.10
Passenger.....	125,169.19	7.89	85,392.68	7.89	57,547.48	5.75	35,248.69	4.64	30,037.41	4.99
Mail.....	58,108.19	3.66	41,521.18	3.83	40,837.37	4.08	41,335.02	5.44	39,740.25	6.60
Express.....	42,744.72	2.70	39,944.59	3.69	37,367.27	3.73	24,502.07	3.23	20,821.82	3.46
Milk.....	19,572.44	1.23	14,122.76	1.30	12,203.30	1.22	8,402.13	1.11	7,559.76	1.26
Other Sources.....	17,345.92	1.10	14,309.08	1.32	13,317.66	1.33	10,823.17	1.42	9,570.62	1.59
Total.....	\$1,586,301.94	100 %	\$1,082,774.02	100 %	\$1,000,892.10	100 %	\$ 759,894.83	100 %	\$ 601,960.77	100 %
<hr/>										
EXPENSES										
Maint. Way and Structures.....	401,076.74	31.48	302,397.07	31.50	168,940.90	22.99	136,571.16	22.51	115,187.24	22.63
Maintenance Equipment.....	337,380.72	26.48	196,820.03	20.50	170,248.56	23.17	121,955.50	20.11	88,348.68	17.36
Traffic.....	26,479.15	2.08	24,144.34	2.52	19,084.24	2.60	15,102.75	2.49	11,661.73	2.29
Transportation.....	483,633.84	37.97	407,446.88	42.45	326,289.48	44.40	284,184.48	46.84	249,333.78	48.99
General.....	75,073.91	5.89	66,387.53	6.92	53,122.25	7.23	49,117.98	8.09	44,921.26	8.83
Transportation for Investment—Cr.....	49,633.62	3.90	37,294.86	3.89	2,819.17	.39	183.87	.04	527.97	.10
Total.....	\$1,274,010.74	100 %	\$ 959,900.99	100 %	\$ 734,866.26	100 %	\$ 606,788.00	100 %	\$ 508,924.72	100 %
Net Earnings.....	312,291.20	19.68	122,873.03	11.35	266,025.84	26.58	153,106.83	20.15	93,036.05	15.45
Taxes.....	103,237.43	6.51	91,649.69	8.46	70,731.10	7.07	50,001.27	6.58	42,747.21	7.10
Net Earnings, less Taxes.....	209,053.77	13.18	31,223.34	2.88	195,294.74	19.51	103,105.56	13.57	50,288.84	8.35

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1933 COMPARED WITH 1932

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$ 11,001.95		\$ 360.40
Roadway Maintenance.....	9,625.83		9,882.29
Bridges, Trestles and Culverts.....	1,064.18		1,212.05
Ties.....	23,577.66		4,105.95
Rails.....	4,619.55	\$4,619.58	
Other Track Material	6,599.29		990.05
Ballast.....	86.31		44.61
Track Laying and Surfacing.....	39,116.93		5,367.19
Right-of-way Fences.....	1,397.47		63.36
Snow and Sand Fences and Snowsheds.....	25.00	6.00	
Crossings and Signs.....	1,429.79		674.38
Station and Office Buildings.....	790.94		109.44
Roadway Buildings.....	34.43		706.51
Water Stations.....	212.56		2,434.77
Fuel Stations.....	† 79.80		452.86
Shops and Enginehouses.....	3,253.61	1,794.92	
Telegraph and Telephone Lines.....	1,207.56		748.58
Signals and Interlockers.....	104.81	20.69	
Power Distribution Systems.....	20.88	20.88	
Miscellaneous Structures.....	48.63	31.98	
Roadway Machines.....	1,367.62		1,283.73
Small Tools and Supplies	2,215.29		547.83
Removing Snow, Ice and Sand.....	4,116.03	1,628.08	
Injuries to Persons.....	1,106.33		377.21
Insurance.....	1,211.29		25.75
Stationery and Printing	230.27		13.55
Other Expenses.....	50.00	50.00	
Maintaining Joint Tracks, Yards and Other Facilities—Dr.....	904.39		193.09
Maintaining Joint Tracks, Yards and Other Facilities—Cr.....	151.56		37.55
Total.....	<u>\$115,187.24</u>		<u>\$ 21,383.92</u>

†Credit.

TABLE F—(Continued)

MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence	\$ 11,080.28		\$ 1,098.02
Shop Machinery	417.67		.96
Steam Locomotives—Repairs.....	23,424.23		2,643.61
Steam Locomotives—Retirements.....	† 970.77		970.77
Other Locomotives—Repairs.....	1.83		111.14
Other Locomotives—Depreciation.....	745.20		
Freight Train Cars—Repairs.....	23,633.10		13,736.28
Freight Train Cars—Retirements.....	† 1,237.80	\$ 635.81	11,437.88
Passenger Train Cars—Repairs.....	6,805.82		
Passenger Train Cars—Depreciation.....	6,907.32		
Passenger Train Cars—Retirements.....	19.11		879.01
Motor Equipment of Cars—Repairs.....	3,574.90		3,207.28
Motor Equipment of Cars—Depreciation.....	7,449.00		
Work Equipment—Repairs.....	180.21	22.09	
Work Equipment—Depreciation.....	4,138.82	354.30	
Work Equipment—Retirements	272.39	361.70	
Miscellaneous Equipment—Repairs.....	116.67		9.42
Miscellaneous Equipment—Depreciation.....	272.42		167.23
Miscellaneous Equipment—Retirements.....	† 34.17		77.29
Injuries to Persons.....	631.58		519.79
Insurance.....	1,122.47		42.49
Stationery and Printing.....	273.41	5.51	
Other Expenses.....	329.38	329.38	
Maintaining Joint Equipment at Terminals—Dr....	238.63	110.54	
Maintaining Joint Equipment at Terminals—Cr....	1,043.02	564.98	
Total.....	\$ 88,348.68		\$ 33,646.82

TRAFFIC

Superintendence.....	\$ 7,169.27	\$ 1,712.28
Advertising.....	191.14	37.36
Traffic Associations.....	1,806.54	307.46
Insurance.....	14.32	8.85
Stationery and Printing.....	2,480.46	1,392.77
Total.....	\$ 11,661.73	\$ 3,441.02

TRANSPORTATION—RAIL LINE

Superintendence.....	\$ 12,803.11	\$ 3,763.40
Dispatching Trains.....	6,880.61	1,926.92
Station Employees.....	44,756.57	6,811.35
Weighing, Inspection and Demurrage Bureaus.....	246.45	155.77
Station Supplies and Expenses.....	2,595.28	97.50
Yardmasters and Yard Clerks.....	7,194.74	592.54
Yard Conductors and Brakemen.....	5,798.31	1,503.03
Yard Enginemen.....	4,845.47	727.40
Fuel for Yard Locomotives.....	5,677.96	129.98

†Credit.

TABLE F—(Continued)

	Amount	Increase	Decrease
Water for Yard Locomotives.....	\$ 531.72		\$ 63.89
Lubricants for Yard Locomotives.....	155.13		11.58
Other Supplies for Yard Locomotives.....	62.41	\$ 7.50	
Enginehouse Expenses—Yard	3,387.54	12.73	
Yard Supplies and Expenses.....	689.97	248.52	
Train Enginemen	25,962.81		3,174.33
Train Motormen.....	4,378.05		504.03
Fuel for Train Locomotives.....	36,758.14		2,023.72
Water for Train Locomotives.....	2,058.58		707.47
Lubricants for Train Locomotives.....	1,234.72		197.24
Other Supplies for Train Locomotives.....	406.45		7.38
Enginehouse Expenses—Train.....	20,188.71		1,816.79
Trainmen.....	32,203.49		3,546.11
Train Supplies and Expenses.....	16,850.15		2,785.63
Crossing Protection.....	224.46		19.51
Drawbridge Operation.....	2,460.70		1,146.94
Telegraph and Telephone Operation.....	2,231.87		175.94
Stationery and Printing.....	2,398.73		384.40
Other Expenses.....	63.91		13.02
Insurance.....	373.13	17.52	
Clearing Wrecks.....	124.03		388.67
Damage to Property.....	54.28		259.62
Damage to Live Stock on Right-of-way.....	105.31	94.85	
Loss and Damage—Freight.....	4,374.51		2,496.19
Injuries to Persons.....	569.72		289.55
Operating Joint Yards and Terminals—Dr.....	6,771.99		252.56
Operating Joint Yards and Terminals—Cr.....	5,327.11		82.40
Operating Joint Tracks and Facilities—Dr.....	530.99		80.28
Operating Joint Tracks and Facilities—Cr.....	1,289.11		478.56
Total.....	\$249,333.78		\$ 34,850.70

GENERAL

Salaries and Expenses of General Officers.....	\$ 6,921.53	\$ 566.42	
Salaries and Expenses of Clerks and Attendants.....	17,416.58		\$ 4,681.08
General Office Supplies and Expenses.....	1,037.49		225.18
Law Expenses.....	8,457.00		1,291.35
Insurance	134.94	7.31	
Pensions.....	9,032.26	1,897.26	
Stationery and Printing.....	1,398.05		499.71
Valuation Expenses.....	13.89		54.12
Other Expenses.....	509.52	83.73	
Total.....	\$ 44,921.26		\$ 4,196.72

SUMMARY

Maintenance of Way and Structures.....	\$115,187.24	\$ 21,383.92
Maintenance of Equipment.....	88,348.68	33,646.82
Traffic.....	11,661.73	3,441.02
Transportation—Rail Line.....	249,333.78	34,850.70
General.....	44,921.26	4,196.72
Transportation for Investment—Cr.....	527.97	\$ 344.10
Total Operating Expenses.....	\$508,924.72	\$ 97,863.28

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1933

MAIN LINE

North Bay City to Cheboygan	195.10
One-half Undivided Ownership—Foss to North Bay City.....	.26

BRANCHES

Omer to AuGres	7.95
National City to Prescott	12.26
Alabaster Junction to Alabaster	4.27
Hillman Junction to Emerson	10.38
Rogers City Junction to Rogers City.....	14.33
<hr/>	
Total	49.19
Total Main Line and Branches	244.55
Yard Tracks and Sidings	63.14
Total, all tracks (Miles).....	307.69

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

Products of Agriculture:	1933 Tons	Per Cent	1932 Tons	Per Cent
Grain	1,059	.3	997	.2
Flour	2,628	.7	2,465	.5
Other Mill Products	109		166	
Potatoes	14,914	3.8	16,887	3.2
Dried Fruits and Vegetables.....	6,778	1.8	5,852	1.1
Sugar Beets	8,236	2.1	22,746	4.4
Other Products of Agriculture.....	58		47	
<hr/>				
Totals	33,782	8.7	49,160	9.4

TABLE H—(Continued)

Animals and Products:

	1933 Tons	Per Cent	1932 Tons	Per Cent
Live Stock	1,121	.3	1,813	.3
Wool	285	.1	110	
Hides and Leather.....	1,206	.3	1,438	.3
Other Animals and Products	321	.1	328	.1
Totals	2,933	.8	3,689	.7

Products of Mines:

Anthracite Coal	306	.1	426	.1
Bituminous Coal	31,259	8.0	33,334	6.4
Coke	1,048	.3	942	.2
Clay, Gravel, Sand and Stone	186,399	48.0	268,826	51.3
Other Products of Mines.....	2,020	.5	2,140	.4
Totals	221,032	56.9	305,668	58.4

Products of Forests:

Pulp Wood	3,760	1.0	6,473	1.2
Lumber, Shingles and Lath	5,074	1.3	3,351	.6
Other Products of Forests.....	4,125	1.0	5,062	1.0
Totals	12,959	3.3	14,886	2.8

Manufactures and Miscellaneous:

Refined Petroleum and Its Products	29,494	7.6	31,549	6.0
Sugar	418	.1	240	
Rails and Fastenings	697	.2	303	.1
Bar and Sheet Iron, Structural Iron, and Iron Pipe	912	.3	1,594	.3
Castings, Machinery and Boilers.....	563	.1	1,861	.4
Cement	16,322	4.2	35,633	6.8
Brick and Artificial Stone	505	.1	923	.2
Lime and Plaster	10,504	2.7	11,725	2.2
Agricultural Implements	76		107	
Automobiles and Auto Trucks	73		44	
Beverages	281	.1	41	
Fertilizers (all kinds)	528	.1	3,877	.7
Chemicals and Explosives	822	.2	634	.1
Canned Goods (all canned food products).....	340	.1	551	.1
Paper Bags and Wrapping Paper	5,538	1.4	6,478	1.3
Paperboard, Pulpboard and Wallboard.....	2,729	.7	2,210	.5
Other Manufactures and Miscellaneous.....	34,010	8.8	37,841	7.2
Totals	103,812	26.7	135,611	25.9
All L. C. L. Freight	13,797	3.6	14,512	2.8
Grand Total, Carload and L. C. L. Traffic	388,315	100 %	523,526	100 %

TABLE I
DETROIT AND MACKINAC RAILWAY COMPANY
FREIGHT STATISTICS

	1933	1932
Number tons revenue freight carried.....	388,315	523,526
Number tons non-revenue freight carried.....	28,488	27,882
Total number tons of freight carried.....	416,803	551,408
Number revenue tons carried one mile.....	29,624,000	33,776,000
Number all tons carried one mile.....	31,839,000	35,954,000
Number revenue tons carried one mile, per mile of road	122,373	139,524
Number tons all freight carried one mile, per mile of road	131,523	148,521
Average distance haul of one ton revenue freight (miles).....	76.29	64.52
Average distance haul of one ton all freight (miles)	76.39	65.20
Total freight revenue.....	\$ 494,230.91	\$ 639,583.75
Average amount received for each ton of freight	1.27276	1.22168
Average receipts, per ton, per mile.....	.01668	.01894
Freight revenue, per mile of road.....	2,041.60	2,642.03
Freight revenue, per train mile.....	5.87	6.74
Average number of revenue tons, per train mile.....	352.12	355.70
Average number of all tons, per train mile.....	378.45	378.64
Average number of all tons, per loaded car mile	20.86	21.22
Average number of cars, per train mile.....	31.4	31.8

PASSENGER STATISTICS

Number of passengers carried.....	15,191	14,453
Number of passengers carried one mile.....	1,065,000	1,010,000
Number of passengers carried one mile, per mile of road	4,399	4,172
Average distance each passenger carried (miles)	70.11	69.88
Passenger revenue.....	\$ 30,037.41	\$ 35,248.69
Average amount received from each passenger	1.977	2.438
Average receipts, per passenger, per mile.....	.02820	.03490
Total passenger train earnings.....	100,813.88	112,222.58
Passenger earnings, per mile of road.....	416.45	463.58
Passenger earnings, per train mile.....	.44	.49
Average number of passengers, per train mile	4.67	4.42

OPERATING STATISTICS

Gross revenue from operation	\$ 601,960.77	\$ 759,894.83
Gross revenue from operation, per mile of road	2,486.62	3,139.02
Operating expenses	508,924.72	606,788.00
Operating expenses, per mile of road.....	2,102.30	2,506.56
Operating expenses, per train mile.....	1.63	1.87
Net operating revenues.....	93,036.05	153,106.83
Net operating revenues, per mile of road.....	384.32	632.46
Ratio of expenses to earnings	84.54	79.85

TABLE J
DETROIT AND MACKINAC RAILWAY COMPANY
EQUIPMENT

<i>Locomotives:</i>	1932	1933
Passenger	7	6
Freight	11	11
Switching	5	5
Totals	23	22
 <i>Passenger Cars:</i>		
Coaches.....	8	8
Cafe	1	1
Parlor	1	1
Gas Electric Combination Passenger, Baggage and Mail.....	2	2
Combination Passenger and Baggage	4	4
Combination Baggage and Mail	2	2
Baggage and Express Cars.....	18	18
Express Refrigerators	3	3
Totals	39	39
 <i>Freight Cars:</i>		
Box	328	317
Flat	100	100
Stock	47	47
Coal Cars	382	382
Refrigerators	6	6
Caboose Cars	11	11
Totals	874	863
 <i>In Company's Service:</i>		
Officers	1	1
Ballast	6	6
Derrick Cars	1	1
Flangers	11	11
Snow Plow	1	1
Jordan Spreader	1	1
Industrial Crane	1	1
Other Road Cars	47	45
Totals	69	67
 <i>Summary:</i>		
Total Number of Locomotives Owned	23	22
Total Number of Cars Owned.....	982	969

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY
STATEMENT OF TRACKS BUILT AND TAKEN UP DURING
YEAR 1933

TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Miles	Feet
1813	Track No. 97-A.....	Oscoda	1806	
1819	Extend Track No. 32	Alpena	350	
1824	Track No. 96-A	East Tawas	1937	
	Total		4093	

TRACKS TAKEN UP

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Miles	Feet
1814	Shorten West End of Track No. 15.....	Emerson	225	
1816	Track No. 46-B.....	Big Cut	1824	
1818	Tracks Nos. 47-A, 48-A, 49-A, 51-A, 52-A.....	Alpena	2905	
1820	Track No. 9 and 1717.5' of Track No. 8.....	Emerson	3077.5	
1821	Bay County Spur, Track No. 45-A	Lengsville	612	
1822	Track No. 53	Lawrence Spur	657	
1823	Track No. 97-A.....	Oscoda	1806	
	Total		2	546.5

SUMMARY

	Miles
Tracks Taken Up	2.10
Tracks Built77
Net Decrease	1.33

